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WAJIBIKA

WAJIBIKA PROJECT QUARTERLY PERFORMANCE REPORT
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Wajibika team, mentors and other facilitators during the Mentors Orientation in Morogoro, June 2011

July, 2011

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Wajibika Quarterly Performance Report
April 1st to June 30th, 2011

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ACRONYMS

CCHP	Comprehensive Council Health Plan
CHMT	Council Health Management Team
D by D	Decentralization by Devolution
FHI	Family Health International
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IFMS	Integrated Financial Management System(s)
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
LGA	Local Government Authority
MOF	Ministry of Finance
MOFEA	Ministry of Finance and Economic Affairs
MOHSW	Ministry of Health and Social Welfare
MoU	Memorandum of Understanding
P4P	Pay for Performance
PFMRP	Public Financial Management Reform Program
PMORALG	Prime Minister's Office, Regional and Local Government
TOTs	Trainer of Trainers
UPS	Uninterruptable Power Supply
URL	Uniform Resource Locator
USAID	United States Agency for International Development

Introduction
This report presents Wajibika Project's progress in the quarter April 1 to June 30, 2011. The report outlines the key project activities and achievements, the challenges and constraints faced, lessons learned, and recommendations for future implementation.

Background
At the end of 2009, USAID awarded Abt Associates Inc, under the AIDSTAR II mechanism, a project called Wajibika. Wajibika is a Kiswahili word meaning "be accountable." Wajibika supports the initiatives of the Government of Tanzania to strengthen Local Government Authorities' (LGA) capacity for fiscal and programmatic accountability under the decentralization by devolution (D by D) program.

Abt Associates operates the Wajibika Project in partnership with the Prime Minister's Office Regional Administration and Local Government (PMO-RALG), the Ministry of Health and Social Welfare (MOHSW) and Family Health International (FHI).

Project Activities implemented
During this quarter the project implemented the following activities:

Mentor Orientation
From June 1-3, 2011 orientation of new mentors was completed and 21 mentors participated. The main objective of the orientation was to equip mentors with appropriate skills for mentoring in councils. Topics included planning, budgeting, reporting, and resource mobilization and allocation. The training included several presentations on mentoring experiences from the Iringa Region, LGAs reforms, mentoring practices, procurement procedures, overview of the Comprehensive Council Health Plan (CCHP) , general steps in the development of council strategic plan, councils internal controls, health financing and the mentors' contractual relationship.

During presentations, mentors asked questions and facilitators clarified issues such as the contradicting guidelines that the central government sends to the Councils on financial management, which hinder councils from planning and reporting accordingly. Through the Wajibika project and through Wajibika's innovative mentoring approach, advice was provided by our mentors to ensure that proper implementation occurs.

International Public Sector Accounting Standards (IPSAS) Training
Tanzania adopted International Financial Reporting Standards (IFRS) in 2004 which are applicable in commercial oriented organizations. In 2006 the Government adopted International Public Sector Financial Reporting Standards (IPSAS) as part of the Financial Management Reform Program (FMRP) and commenced the complex implementation. Challenges, however, remain in accounting and financial reporting, in particular at the local government level. To address these challenges, the Government is implementing a Public Financial Management Reform Program (PFMRP).

Abt Associates engaged Ernst & Young Tanzania to facilitate a training focused on IPSAS for the Regional Accountants/Auditors, Council Treasurers and Internal Auditors as well as their immediate subordinates in 27 LGAs within Morogoro, Dodoma, Iringa and Pwani Regions. There were 222 participants.

The training was held in June 2011, and was not only relevant but also timely as the LGAs have just embarked on the process of closure of the financial year which ended June 30, 2011 and preparing of their respective financial statements.

The overall objective of the training was to build and enhance the capacity of the Local Government Accountants and Auditors in the area of IPSAS. This enabled them to improve their ability to be accountable and transparent. Moreover the trainees will be able to better assist in streamlining the financial reporting formats to suit the needs of multiple stakeholders and in the process, enable LGAs' Accountants and Auditors to achieve the technical capacity necessary to ensure compliance with the IPSAS in the future.

Follow up on Web Based tool design and implementation
Wajibika subcontracted an outside organization to develop a Web-Based tool that would facilitate communication among the LGAs, Regional Secretariat and PMO-RALG Headquarters. After several delays in meeting crucial deadlines for the development of the tool the project decided that it was a better use of project resources to develop the tool in-house. The Web-Based tool is a simple SharePoint site that all councils will have access to. It will provide easy access to documents, assist in problem solving and sharing best practices. It will also facilitate communication among and between the councils and PMO-RALG, enhance the CCHP process and build the capacity of local councils. During this quarter a mock-up of the tool has been completed. Meetings were held with PMO-RALG to get their input on the tool. In the next quarter the Wajibika team will pilot the tool and refine as necessary based on inputs from the council members and PMO-RALG and then deploy the tool for use within all the 27 councils the project is   supporting.

Supportive supervision and technical assistance
The Wajibika team conducted routine supervision in the Iringa Region. The supportive supervision was conducted in 4 councils. The objective of the supervision was to see how much the project has facilitated the strengthening of LGAs' capacity in the area of planning and financial management. The main areas which the project supervised included; mentors attendance, activities planned and completed in that quarter, mentor and overall council working environment, planning and financial management as well as the relationships that exist between mentors and council staff.

During the visits, the supervision team found that the presence of mentors resulted in several improvements in the Councils. For example, the Regional Secretariat's assessment of CCHPs revealed that most of the councils within the Wajibika project area scored above 90%.

Support PMO-RALG in the training of IFMS (Epicor)

During this quarter, the Wajibika team, in collaboration with PMO-RALG conducted a pilot test of Epicor 9.05 in Iringa DC and trained five accountants and two procurement specialists in the use of the software. During the implementation the following activities were performed: confirm readiness with pre-requisite data, confirm availability of trained staff, connection to the server, and installation of client workstation and configuration of printers. Other activities included: system overview, users set-up, cash account generations, population of budget balances for the month of April, May and June 2011, capturing bank balances, transaction capturing and production of reports.

In addition they conducted a status review at the end of June and found the system is progressing well as there are some transactions and reports to be retrieved from the systems. Some staff were familiar with the system, while others are still behind and need coaching.

Advocacy to the councils

The Wajibika team conducted advocacy visits to 27 councils within four regions during the month of June. The advocacy involved four regional secretariats' local government and the Public Procurement Regulatory Authority (PPRA) offices in addition to councilors who were members of the Finance, Planning and Development Committee, council heads of departments and Council Audit Committee members.

The purpose of this advocacy was related to the roles and responsibilities on accountability at the LGA level for members of the planning and financial committee and heads of departments. Objectives covered included:

1. To provide a common platform for councilors and heads of departments to share ideas
2. To present and discuss an overview of the Wajibika project
3. To present and discuss the key areas (internal control and procurement processes in the councils) that often cause qualification in audit reports
4. To instill accountability and to discuss roles and responsibilities of councilors and the Council Audit Committee
5. To sensitize councilors on the importance of pre-payment schemes in health with particular emphasis on Community Health Fund (CHF) and the need to identify and care for Orphans and Vulnerable Children (OVCs)

The Wajibika team divided into two operational teams and each team conducted a meeting with participants from one council. The teams covered two councils per day.

In total the team conducted advocacy sessions with 328 councilors, 408 heads of departments, 44 audit committee members, 11 council directors, and 16 acting council directors. Below is feedback received from the advocacy sessions:

- The participants expressed their appreciation for bringing them together and said it was the first time that the councilors and heads of departments sat together to learn and share ideas.

- The topics presented were found to be very relevant to both the councilors and the heads of departments.
- The councilors felt that the whole concept of D by D remains very theoretical as it is yet to be felt at council and sub-council levels.
- The councilors did not agree with the composition of the Internal Audit Committee as none of them was a member of that committee. They emphasized as the councils "owners" they should be part of the control system.
- Regarding the procurement process at the council level the councilors felt that they are involved at the very end of the process through their chair by signing the offers. They feel that their chair is pulled into signing a final document without internalizing the process of its production.
- The two hour session for the procurement process was found not to be adequate for councilors to adequately grasp the essentials.

Advocacy at National Level
- **Meeting with Director of Local Government Mr. Kahitwa and Director of Finance Ms Mchome**
  The Wajibika team met with the above official to discuss two main issues as indicated below:
  o Subcontract between Abt and PMORALG: The subcontract had just been signed. However during the signing the Director of Local Government was not in country and there was a need to brief him on the issue and discuss the modalities for operationalizing the subcontract.
  o Involvement of LGAs in the orientation of new mentors and advocacy to councilors and heads of departments on accountability.

- **Meeting with Assistant Commissioner of Budgeting Mr. Mwilima of Ministry of Finance**
  After the signing of the tripartite MoU between Abt with the Ministry of Finance, Ministry of Health and Social Welfare and PMORALG, Mr. Mwilima wanted to have clarification on some of the issues mentioned in the MoU. The issues discussed included the late disbursement of funds from Treasury to the LGAs and also the mechanisms used to disburse funds from Wajibika project to councils

- **Meeting with Permanent Secretary Deputy Permanent Secretary PMORALG – Mr. Kattanga and Mr. Maswi respectively**
  The main focus of meeting with Mr. Kattanga was to acquaint him with the program since he was a new appointee to the post. He was briefed on Wajibika and later asked that we meet with his deputy, Mr. Maswi, to discuss implementation issues including the selection of the liaison officer between Wajibika and the PMORALG.

- **Meeting with Technical Director University Computing Centre Mr. G. Wilson**
  The University Computing Centre (UCC), the vendor of PlanRep2, have been entrusted by PMORALG to hold the source code for this software package. The main issue addressed at the meeting was to discuss the possibility of

integrating PlanRep2 with Epicor. The discussion was fruitful and a decision was reached to call a broader meeting involving various stakeholders such as Soft Tech (Epicor's vendor), PMORALG , the Swiss Development Corporation and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

- **Meeting with CEO of Public Procurement Regulatory Authority (PPRA) Dr. R. Mlinga**
  Procurement being one of the central issues related accountability, Wajibika found it necessary to involve the oversight institution PPRA in related interventions. Specifically the team discussed a potential partnership. To this end Wajibika requested PPRA to facilitate the advocacy to councilors and heads of departments   on issues related to procurement processes in the council.

- **Meeting with Controller and Auditor General – Mr. L. Utouh**
  It has been the practice of Wajibika to debrief the Controller and Auditor General on the progress of the project and the type of intervention the project is implementing. This is because the National Audit Office has a potential for scaling up any useful project interventions.

Pay for Performance (P4P)
Searching for incentives to motivate health staff to perform better has been one of the key areas of interest for the Wajibika project. The project is working with partners to provide technical support for the pilot P4P in Pwani region. The pilot is a collaborative effort between the MoHSW, the Clinton Health Access Initiative (CHAI) and the Ifakara Health Institute (IHI). The pilot is supported by the Government of the Kingdom of Norway (GoN) with technical assistance from Broad Branch Associates (funded by USAID). Pwani P4P pilot is a two year program covering the period January 2011 to December 2012. Wajibika is a member of the pilot's technical advisory committee.

The program will provide financial incentives for coverage and quality performance on predetermined service delivery targets and indicators in reproductive and child health, as well as on data collection and data analysis. The program will involve all health facilities in the Pwani region, comprising all Hospitals (7), Health Centres (21) and Dispensaries (234).Wajibika participated in refining the design document by providing comments to the design team. Wajibika also participated in the Launch of the project. The launch was held on 5th May 2011 in Kibaha and was officiated by the Ambassador of the United Kingdom of Norway. Experiences from the pilot project will inform the national P4P program under the MoHSW for national scale-up and rollout.

Benchmarks Achieved

Benchmark	Status
Conduct debriefing meeting with USAID	Done
Conduct project related meetings with key stakeholders at the national level	Done with PMO-RALG, Ministry Of Finance (MOF) and MOHSW
Introduce Web-Based tool and helpdesk service in scale –up councils to share best practices and resources, highlight model councils and provide feedback.	In progress
Conduct supportive supervision and technical assistance from Wajibika head office to mentors and councils.	On going
Mentors providing technical, management and administrative support	On going
Identify or assist in preparation of relevant written resources and disseminate to 21 councils.	In progress
Document incentive packages that are practiced in LGAs	In progress
Conduct advocacy to share different packages that exist in LGAs	In progress
Provide technical support to partners in at least one region to design, implement, and monitor and evaluate P4P	In progress (Pwani)
Support PMO-RALG in training of IFMS (Epicor)	In progress
Support PMO-RALG with the needed equipment for the training of IFMS	Done (Eight servers loaned to PMO-RALG)
Procure shared computers and monitors for the scale up councils	Not done
Participatory review of council annual planning process and documents to make sure that all stakeholders are involved.	In progress
Support /advocate for the creation and functioning of a pre-budgeting resource coordination meeting among council level stakeholders or participate in meetings that are already planned	In progress
Registration of Internal Auditors to Institute of Internal Auditors (IIA)	Done
Collect the various financial reports formats currently being used from councils.	Done
MoUs signed in 19 scale up councils	Done
MoUs with PMO-RALG, MOHSW and MOF	Done
Signing of subcontract with PMO-RALG	Done

Benchmark	Status
Recruitment of additional staff: Mentor coordinator, council mentors, EPICOR/IT Specialist and Driver	Done
Advocacy to councilors, council head of departments and audit committee members	Done
Training of Accountants on IPSAS	Done

Problems Encountered (and whether resolved or outstanding)

Computer procurement and installation in 21 Scale up councils

The Wajibika project had planned to procure, supply and install stand-alone servers and desktop computers to eight councils in the Iringa region. After the servers and computers had been procured, PMO-RALG changed their Epicor implementation plan from stand-alone servers to one central server situated in Dodoma. This change resulted in the project not supplying the servers to the Iringa councils. Instead the servers were let to PMO-RALG to support the Epicor TOT. The change is a slight deviation from the project's original workplan.

Proposed Solutions to New or Ongoing Problems

After the LAN installations by PMO-RALG, Wajibika is looking at the possibilities of supplying thin client (NComputing) computers to 27 councils in place of the servers and desktop computers that they had originally planned to procure. Thin Client computers are the most cost effective solution for the councils because they allow several monitors to be linked to one central processing unit.

Success Stories

Modest interventions boost revenue for local authority

Mufindi District Council like most local government authorities in Tanzania is constrained by limited sources of revenue to finance its recurrent and development activities, but modest recent interventions have made a difference.

A mentor placed in Mufindi district in the Southern Highlands of Tanzania under the auspices of Wajibika, a USAID-sponsored project implemented by Abt Associates Inc., realized the district was too dependent on the Central Government for funding to implement its programs. He thus advised the introduction of new revenue sources, which included property tax on the 5,000 surveyed plots in the township and setting up of weekly market centers to generate revenue by means of levies. He also proposed methods of strengthening the Community Health Fund (CHF) which included widening the Fund base by enrolling primary and secondary school pupils into the Fund and collecting their contributions. Results have already shown a 10% increase in contributions to CHF in the year 2010/11. Revenue collection takes place weekly at the new market centers. Property valuation will also increase property tax revenue four times (from Tsh 20 million to Tsh 80 million) when the 2011/12 council plan is implemented. This item features prominently in the 2011/12 council's budget and is seen as an expanding source of the Council's own sources of

Mufindi Council Director
Mr.Ndimatsye Shimwela

revenue. According to Mufindi Council Director Ndimatsye Shimwela, the collection from new sources of revenue would have a wider impact on Mufindi and other councils. "The mentor has opened our eyes and helped us arrive at appropriate decisions," he said.

Wajibika which means " be accountable" in Kiswahili, supports the Government of Tanzania initiatives to strengthen Local Government Authorities capacity for financial and program management and accountability under Tanzania's Decentralization by Devolution, a policy which aims to strengthen local government authorities in order to improve governance and delivery of services to the people.

'Budget masters' put a Tanzanian government planning tool to wider use

Development planning and producing relevant reports requires obtaining and using appropriate tools.

In 2004, PlanRep2, a Local Government Planning tool was introduced by the Ministry of Health and Social Welfare to all councils in Tanzania. In Mufindi District Council it was   used exclusively by the Mufindi District Planning Department.

The Wajibika Project, led by Abt Associates Inc., and funded by USAID, aims to strengthen the capacity of Local Government Authorities through coaching and on-the-job mentoring, as well as through other interventions to improve overall financial and programmatic accountability at the council level. Wajibika   placed a mentor in the Mufundi district Last year the mentor advised district authorities that the tool would be much more effectively used if it were rolled-out to the other nine departments within the council.

Yesaya A. Mwakyalanda, Mufindi District Council mentor.

Council authorities accepted the advice and implemented the idea including appointing "budget masters" within each department to strengthen and oversee departmental planning, using PlanRep2 as well as implementing activities at the council, facility and community levels. PlanRep2 can project revenue from all sources, track funds received by the local government from various sources, track expenditures, and integrate sectoral plans into a single comprehensive plan. This tool is now increasingly being used by the council.

Egid Nkwera, Mufindi's District Council Economist said the changes have yielded invaluable rewards "Planning is no longer a monopoly of the Planning Department as all sectors are now fully involved" he said. The change has also prompted weekly meetings of the council management committees to get feedback from the appointed 'budget masters'. Other benefits also include widespread departmental ownership and participation in planning, which leads to better quality plans and improved performance in implementation.

Documentation of Best Practices (that can be scaled up)

- Councilors' advocacy on accountability

- IPSAS training to Accountants and Auditors

List of Upcoming Activities and Events

1. Conduct supportive supervision to councils.

2. Conduct project related meetings with key stakeholders at the national, regional and council level to share achievements, challenges and updates on the menu of interventions.

3. Introduce Web-Based tool and help desk service in scale-up councils to share best practices and resources, highlight model councils, provide feedback, announce incentives and communicate other important information within and among council regions and national levels.

4. Continue supporting PMO-RALG in the training of IFMS (Epicor).

5. Support the development of council Strategic Plans.

6. Post training evaluation to Internal Auditors.

7. Continue with Project Advocacy at National level to keep key stakeholders informed.